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CLERK US DISTRICT COURT DISTRICT OF NEVADA	
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8 *Representing the United States of America*

9
10 **UNITED STATES DISTRICT COURT**
11 **DISTRICT OF NEVADA**

12 **United States of America,**

13 **Plaintiff,**

14 **v.**

15 **Sergey Medvedev,**

16 **Defendant.**

Case No. 2:17-cr-306-JCM-VCF

**Plea Agreement Under Fed. R.
Crim. P. 11(c)(1)(C)**

17
18 Plaintiff United States of America, by and through DAVID L. JAFFE, Chief
19 for the United States Department of Justice, Organized Crime and Gang Section,
20 KELLY PEARSON, Deputy Chief, Organized Crime and Gang Section, and CHAD
21 W. MCHENRY and ALEXANDER GOTTFRIED, Trial Attorneys, Organized Crime
22 and Gang Section; and the defendant, SERGEY MEDVEDEV, and the defendant's

1 attorney, LANCE MANINGO, ESQ., submit this Plea Agreement under Fed. R.
2 Crim. P. 11(c)(1)(C):

3 **I. SCOPE OF AGREEMENT**

4 The parties to this Plea Agreement are the United States of America and SER-
5 GEY MEDVEDEV (the defendant). This Plea Agreement binds the defendant and
6 the United States Department of Justice's Organized Crime and Gang Section.

7 If the Court accepts this Plea Agreement, it will also bind the Court under
8 Fed. R. Crim. P.11(c)(1)(C). It does not bind any other prosecuting, administrative,
9 or regulatory authority.

10 The Plea Agreement sets forth the parties' agreement regarding criminal
11 charges referenced in the Plea Agreement and applicable sentences, fines, restitu-
12 tion, and forfeiture.

13 **II. DISPOSITION OF CHARGES AND WAIVER OF TRIAL RIGHTS**

14 A. Guilty Plea. The defendant knowingly and voluntarily agrees to plead
15 guilty to the following charge as set forth in the Second Superseding Criminal In-
16 dictment returned by the grand jury on January 30, 2018 (ECF No. 303):

17 COUNT ONE: Conspiracy to Engage in a Racketeer Influenced
18 Corrupt Organization, in violation of 18 U.S.C. §§ 1962(d) and 1963.

19 The defendant also agrees to the in personam criminal forfeiture money judg-
20 ment as set forth in the Plea Agreement, the Bill of Particulars, and the Forfeiture
21 Allegation of the Second Superseding Criminal Indictment.

1 B. Waiver of Trial Rights. The defendant acknowledges that he has been
2 advised and understands that by entering a plea of guilty he is waiving – that is,
3 giving up – certain rights guaranteed to all defendants by the laws and the
4 Constitution of the United States. Specifically, the defendant is giving up:

5 1. The right to proceed to trial by jury on all charges, or to a trial
6 by a judge if the defendant and the United States both agree;

7 2. The right to confront the witnesses against the defendant at such
8 a trial, and to cross-examine them;

9 3. The right to remain silent at such a trial, with assurance that his
10 silence could not be used against him in any way;

11 4. The right to testify in his own defense at such a trial if he so
12 chooses;

13 5. The right to compel witnesses to appear at such a trial and testify
14 on the defendant's behalf; and

15 6. The right to have the assistance of an attorney at all stages of
16 such proceedings.

17 C. Withdrawal of Guilty Plea. The defendant will not seek to withdraw
18 his guilty plea after he has entered it in court, unless the Court declines to accept
19 the parties' binding agreement. See Fed. R. Crim. P. 11(c)(5)(B).

20 D. Additional Charges. The United States agrees not to bring any addi-
21 tional charges against the defendant arising out of the defendant's participation in
22 conduct described in the agreed-upon factual basis for this Plea Agreement, to the

1 extent that the defendant has disclosed such participation to the United States At-
2 torney's Office for the District of Nevada and/or the Organized Crime and Gang Sec-
3 tion of the United States Department of Justice (hereinafter collectively referred to
4 as "this Office") as of the date of this Agreement, except that the United States
5 reserves the right to prosecute the defendant for any criminal tax violations,
6 including conspiracy to commit such violations, chargeable under 18 U.S.C. § 371.

7 E. Dismissal of Charges. Defendant understands, acknowledges, and
8 agrees that as a result of his guilty plea pursuant to this agreement, at the time of
9 sentencing, the United States will move to dismiss the remaining eight counts of the
10 Second Superseding Indictment pending against him.

11 III. ELEMENTS OF THE OFFENSE

12 COUNT ONE: The elements of Conspiracy to Engage in a Racketeer
13 Influenced Corrupt Organization, in violation of 18 U.S.C. § 1962(d) are:

14 1. First, that there was an agreement among two or more persons to par-
15 ticipate in an enterprise that would affect interstate commerce through a pattern of
16 racketeering activity;

17 2. Second, that defendant knowingly and willfully became a member of
18 that agreement; and

19 3. Third, that the defendant or another member of the conspiracy agreed
20 to commit two racketeering acts.

1 IV. FACTS SUPPORTING GUILTY PLEA

2 A. The defendant will plead guilty because he is, in fact and under the law,
3 guilty of the crimes charged.

4 B. The defendant acknowledges that if he elected to go to trial instead of
5 pleading guilty, the United States could prove his guilt beyond a reasonable doubt
6 and by preponderance of the evidence establish its right to forfeit the specified
7 property. The defendant further acknowledges that his admissions and declarations
8 of fact set forth below satisfy every element of the charged offenses.

9 C. The defendant waives any potential future claim that the facts he
10 admitted in this Plea Agreement were insufficient to satisfy the elements of the
11 charged offense.

12 D. The defendant understands, acknowledges, and agrees that the facts
13 set forth below are only those necessary to support a plea of guilty to the charge
14 described in this agreement and to establish the Sentencing Guidelines factors set
15 forth in Section VI below, and that they do not capture the entirety of his conduct,
16 criminal or otherwise, in this case. The defendant admits and declares under penalty
17 of perjury that the facts set forth below are true and correct:

18 1. From on or about October 1, 2010, through on or about February
19 1, 2018, in the District of Nevada and elsewhere, defendant **MEDVEDEV** and his
20 codefendants, including others known and unknown, were members of, employed by,
21 and associated with the Infraud Organization described below, an enterprise engag-
22 ing in, and the activities of which affected interstate and foreign commerce, and

1 unlawfully and knowingly conducted and participated, directly and indirectly, in the
2 conduct of the affairs of the Infraud Organization through a pattern of racketeering
3 activity described below:

4 a. The Infraud Organization was a criminal enterprise that
5 existed to enrich its members and associates through acts of identity theft and
6 financial fraud, including, but not limited to, acts involving trafficking in stolen
7 means of identification; trafficking in, producing, and using counterfeit identification
8 documents; identity theft; trafficking in, producing, and using unauthorized and
9 counterfeit access devices; bank fraud; and trafficking in the services associated with
10 the use of unauthorized counterfeit access devices; and which activities interfered
11 with interstate and foreign commerce. The Infraud Organization facilitated the sale
12 of contraband by its members, including counterfeit documents, stolen bank account
13 and credit account information, and stolen personal identifying information.
14 Members and associates of the Infraud Organization operated throughout the world
15 and the United States, to include Las Vegas, Nevada.

16 b. From on or about October 1, 2010 to on or about February
17 6, 2018, the Infraud Organization was responsible for the sale and/or purchase of
18 over 4 million compromised credit and debit card numbers. The actual loss
19 associated with the Infraud Organization was in excess of \$568 million USD. The
20 victims of the Infraud Organization include MasterCard, Visa, American Express,
21 and Discover Card corporations, in addition to countless financial institutions
22 located in the United States.

1 c. The purposes of the Infraud Organization included: to
2 enrich its members and associates through the unlawful trafficking in means of
3 identification, document-making implements, counterfeit identification documents,
4 device-making equipment, and unauthorized and counterfeit access devices; to
5 establish the Infraud Organization as the premier online destination for the
6 purchase and sale of stolen property and other contraband, such as victims' personal
7 and financial means of identification; to educate members in obtaining and using
8 such property and contraband; to direct traffic, primarily through advertising and
9 member feedback, to member owned and/or operated automated vending sites
10 ("AVSes") and other websites to generate illicit proceeds, thereby promoting the
11 Infraud Organization as the premier online source of reputable contraband vendors;
12 to protect the Infraud Organization and its members from detection, apprehension,
13 and prosecution by law enforcement; to preserve and protect Infraud operations and
14 profits through the use of discipline, expulsion, and other acts of retribution; and to
15 preserve and protect the reputation, operations, and profits of the enterprise through
16 discipline, expulsion, and other acts of retribution against non-conforming members.

17 d. Members of the Infraud Organization trafficked in,
18 produced, and transferred counterfeit identification documents; possessed
19 document-making implements; transferred, possessed, and used means of
20 identification of another person in the commission of and in connection with bank
21 fraud affecting interstate and foreign commerce; possessed fifteen (15) or more
22 counterfeit and unauthorized access devices affecting interstate and foreign

1 commerce; trafficked in and possessed device-making equipment affecting interstate
2 and foreign commerce; planned schemes to unlawfully obtain money and property
3 from banks and other financial institutions by way of fraud and material
4 misrepresentations and promises; and utilized the personal identifying information
5 of victims in the forgery and false use of passports and other identification
6 documents and authentication features.

7 e. Members of the Infraud Organization used various means
8 to communicate, complete transactions, and establish connections, all of which were
9 designed to protect the membership's anonymity, evade detection and prosecution
10 by law enforcement, and provide security for the criminal organization against
11 attacks by other rival criminal organizations, including the use of: various website
12 forums controlled by the Infraud Organization, as online gathering places which
13 provided secure meeting locations for the members of the criminal enterprise;
14 private messaging, which is a non-forum wide message sent between individual
15 members on the criminal organization's website forums; e-mail, some of which are
16 encrypted and password protected, or use service providers located outside of the
17 United States; ICQ chat, which is a free instant messaging electronic communication
18 service; proxies, which are achieved by bouncing from one computer to another to
19 hide a member's true originating IP address; Virtual Private Networks, which are
20 similar to proxies, but with the addition of creating an encrypted to prevent the
21 communications within that tunnel from being intercepted and monitored; and
22

1 protected drop sites in the United States and elsewhere, in the event that there was
2 a need to transport, transfer, and receive physical contraband.

3 f. Members of the Infraud Organization have defined roles
4 in the enterprise, including Administrator, Moderator, Reviewers, Vendors, and
5 Members.

6 i. The Administrators of the Infraud Organization
7 were individuals that served as a governing council for the Infraud Organization
8 who, collectively, controlled the destiny of the organization. The Administrator(s)
9 initially seeded the Infraud Organization forum with “reputable” vendors of
10 contraband in order to attract traffic and membership and grow the organization.
11 They handled the day-to-day management decisions of the Infraud Organization, as
12 well as long term strategic planning for its continued viability. They determined
13 which individuals were permitted to become and remain members of the Infraud
14 Organization; the functions, responsibilities and levels of access to information for
15 all members of the organization; and the rewards accorded to members for their
16 loyalty to the organization as well as the punishments meted out to members
17 evidencing disloyalty to the organization. Furthermore, they decided when, how and
18 under what circumstances to attack and retaliate against members of rival criminal
19 organizations and their associated internet websites. The Administrator(s) were
20 accorded full access to, and privileges on, the computer servers that hosted the
21 Infraud Organization’s websites, and, thus, had the ultimate responsibility for the
22 physical administration, maintenance, and security of those servers and websites.

1 ii. Super Moderators oversaw and administered one
2 or-more subject-matter specific areas on the Infraud Organization's forum that
3 either fell within an area of their expertise or covered their geographic location,
4 limiting their activities to editing and deleting posts by members on these forums
5 and mediating disputes. Super Moderators frequently served as reviewers for
6 particular products or services with which they had an expertise.

7 iii. Moderators, like Super Moderators, oversaw and
8 administered one or more subject-matter specific areas on the Infraud
9 Organization's forum that either fell within an area of their expertise or covered
10 their geographic location. However, Moderators tended to be more limited in the
11 authority they were granted, and were generally limited to moderating one or two
12 specific sub-forums.

13 iv. Vendors sold illicit products and services to mem-
14 bers of the Infraud Organization. These sales could occur through the vendor's own
15 website to which would-be purchasers were directed by the advertisements they paid
16 for and placed on the Infraud Organization's web forum. Such sales could also occur
17 directly between the vendor and customer, *i.e.* via email, private message, or ICQ
18 chat. Products sold by vendors were reviewed on the forum by Infraud members to
19 ensure that vendors of low-quality goods did not remain in business with the Infraud
20 Organization. This helped cement the organization's reputation as a premiere online
21 destination for safe, high-quality, and readily available fraud-related contraband.

1 v. VIP Members were some of the premiere members
2 of the Infraud Organization. The leaders of the organization bestowed this title upon
3 longstanding or otherwise notable members in order to distinguish them from the
4 general membership and from vendors.

5 vi. Members of the Infraud Organization typically
6 used the organization's websites to gather and provide information about
7 perpetuating criminal activity; to share information with and solicit other members
8 to engage in their criminal schemes; to use the website's vendor to facilitate their
9 unlawful purchases of credit card dumps, false identification documents, and other
10 contraband; and to have their individual disputes with other organization members
11 settled by the Administrators or Moderators.

12 g. On or about October 2010, defendant **MEDVEDEV**, along
13 with his codefendant, Svyatoslav Bondarenko, created the Infraud Organization.
14 **MEDVEDEV** was an Administrator of the Infraud Organization. **MEDVEDEV**
15 used the nickname "Stells" on the organization's websites. **MEDVEDEV** also
16 operated the official Infraud "escrow" service, which was used by the membership to
17 facilitate the purchase and sale of contraband. In addition, he operated an
18 "exchanging" service, which was used by members to convert digital currencies to
19 different types of digital currencies, and to "cash out" digital currencies to real-world,
20 or fiat, currencies.

21 h. As part of the conspiracy, defendant **MEDVEDEV** agreed
22 that he or a co-conspirator would engage in two or more racketeering acts, including

1 violations of 18 U.S.C. § 1028(a)(1) (Trafficking in and Production of False
2 Identification Documents); 18 U.S.C. § 1028(a)(5) (Unlawful Possession of an
3 Authentication Feature); 18 U.S.C. § 1028(a)(7) (Unlawful Transfer, Possession or
4 Use of a Means of Identification for an Unlawful Activity); 18 U.S.C. § 1029(a)(3)
5 (Possession of 15 or More Unauthorized Access Devices); 18 U.S.C. § 1029(a)(4)
6 (Trafficking in and Possession of Access Device-Making Equipment); 18 U.S.C.
7 § 1343 (Wire Fraud); 18 U.S.C. § 1344 (Bank Fraud); and 18 U.S.C. § 1543 (Forgery
8 and False Use of a Passport).

9 i. On or about December 2010, defendant **MEDVEDEV**
10 posted details about the official “escrow” service he provided and the prices
11 associated with his services for Infraud members. During the conspiracy period,
12 **MEDVEDEV**’s “escrow” service was used by numerous Infraud members in order to
13 purchase and sell contraband.

14 j. From on or about October 2010 to on or about February,
15 2018, defendant **MEDVEDEV**, with and without co-defendant Bondarenko, invited
16 and incentivized individuals perceived to sell “high quality” contraband to advertise
17 on the Infraud forum; outlined the rules associated with the Infraud Organization;
18 controlled who was eligible to become a member of the Infraud Organization; set
19 uniform advertising prices for Infraud vendors; and reviewed membership comments
20 in order to determine whether or not to take action against alleged non-conforming
21 members, amongst other actions associated with the Infraud Organization.

1 k. From in or about October 2010 to in or about May 2013,
2 defendant **MEDVEDEV** accepted monies for escrow services, advertisements, and
3 related Infraud business via his Liberty Reserve accounts, U7016017 and U9356830.
4 Those accounts received and sent approximately \$1,040,517.84 USD.

5 l. On or about April 16, 2016, defendant **MEDVEDEV**
6 posted to the Infraud forum an explanation that co-defendant Bondarenko had gone
7 missing, and that he, **MEDVEDEV**, was now the “admin and owner” of the Infraud
8 Organization.

9 m. On or about July 22, 2016, defendant **MEDVEDEV** posted
10 to the Infraud forum indicating that the organization had an “open invite” policy,
11 and that members would be able to secure invitations for their associates into the
12 Infraud Organization, provided that the would-be new members met minimum
13 standards.

14 2. Defendant **MEDVEDEV** expressly admits that: 1) a loss amount
15 of \$568,000,000 is attributable to the defendant for conspiring with a member of the
16 enterprise; 2) the offense, Conspiracy to Engage in a Racketeer Influenced Corrupt
17 Organization, involved more than 10 victims; 3) a substantial part of the offense
18 Conspiracy to Engage in a Racketeer Influenced Corrupt Organization, was
19 conducted overseas and otherwise used sophisticated means; and 4) the offense,
20 Conspiracy to Engage in a Racketeer Influenced Corrupt Organization, involved
21 possession and use of device-making equipment, and the production of and traffick-
22 ing in unauthorized and counterfeit access devices.

1 3. Defendant MEDVEDEV admits that the property listed in
2 Section X is (a) any interest acquired or maintained from his criminal violations,
3 (b) any interest in, security of, claim against, or property or contractual right of any
4 kind affording a source of influence over, any enterprise which he established,
5 operated, controlled, conducted, or participated in the conduct of his criminal
6 violations, or (c) any property constituting, or derived from, any proceeds obtained,
7 directly or indirectly, via racketeering activity or unlawful debt collection in his
8 criminal violations. The property and the criminal forfeiture money judgment of
9 \$1,044,701.41 are therefore facilitating property and proceeds of the crime.

10 4. Defendant MEDVEDEV further expressly admits that the acts
11 set forth above, among others: were knowingly and voluntarily committed in further-
12 ance of the Infraud Organization's criminal enterprise; constitute a pattern of
13 racketeering activity; were committed in and affecting interstate and foreign com-
14 merce; and were done for the gain of the Infraud members, the benefit of others, and
15 in furtherance of the Infraud criminal enterprise.

16 **V. COLLATERAL USE OF FACTUAL ADMISSIONS**

17 The facts set forth in Section IV of this Plea Agreement shall be admissible
18 against the defendant under Fed. R. Evid. 801(d)(2)(A) at sentencing for any
19 purpose. If the defendant does not plead guilty or withdraws his guilty plea, the
20 facts set forth in Section IV of this Plea Agreement shall be admissible at any
21 proceeding, including a trial, for impeaching or for rebutting any evidence,
22 argument, or representation offered by or on the defendant's behalf. The defendant

expressly waives all rights under Fed. R. Crim. P. 11(f) and Fed. R. Evid. 410 regarding the use of the facts set forth in Section IV of this Plea Agreement.

VI. APPLICATION OF SENTENCING GUIDELINES (U.S.S.G.) PROVISIONS

A. Count One: Conspiracy to Engage in a Racketeer Influenced Corrupt Organization

1. Base Offense Level [U.S.S.G. § 2B1.1(a)(2)]: 7
2. Specific Offense Characteristics:
 - More than \$550,000,000 in loss
[U.S.S.G. § 2B1.1(b)(1)(P)]: +30
 - Offense involves more than 10 victims
[U.S.S.G. § 2B1.1(b)(2)(A)]: +2
 - Substantial part of offense conducted
overseas and otherwise used sophisticated
means [U.S.S.G. § 2B1.1(b)(10)]: +2
 - Offense involved possession and use of
device-making equipment, and production
and trafficking of unauthorized and counterfeit
access devices [U.S.S.G. §§ 2B1.1(b)(11)(A), (B)]: +2
3. Adjustments:
 - Organizer/Leader of 5 or more
[U.S.S.G. § 3B1.1(a)]: +4
4. Adjusted Offense Level: 47

The defendant acknowledges that the statutory maximum sentence and any statutory minimum sentence limit the Court's discretion in determining the defendant's sentence notwithstanding any applicable Sentencing Guidelines

1 provisions. The defendant understands that although the parties agree to recom-
2 mend a prison sentence of no greater than ten (10) years, the Court may defer a
3 decision whether to accept or reject the Plea Agreement until the Court has re-
4 viewed the presentence report, in which the United States Probation Office will in-
5 dependently calculate the defendant's offense level under the Sentencing Guidelines.

6 B. Reduction of Offense Level for Acceptance of Responsibility. Under
7 U.S.S.G. § 3E1.1(a), the United States will recommend that the defendant receive a
8 two-level downward adjustment for acceptance of responsibility unless he: (a) fails
9 to truthfully admit facts establishing a factual basis for the guilty plea when he
10 enters the plea; (b) fails to truthfully admit facts establishing the amount of
11 restitution owed when he enters his guilty plea; (c) fails to truthfully admit facts
12 establishing the forfeiture allegations when he enters his guilty plea; (d) provides
13 false or misleading information to the United States, the Court, Pretrial Services, or
14 the Probation Office; (e) denies involvement in the offense or provides conflicting
15 statements regarding his involvement or falsely denies or frivolously contests
16 conduct relevant to the offense; (f) attempts to withdraw his guilty plea; (g) commits
17 or attempts to commit any crime; (h) fails to appear in court; (i) violates his
18 conditions of pretrial release; or (j) commits any act which could result in the United
19 States seeking an obstruction of justice enhancement within the meaning of U.S.S.G.
20 § 3C1.1.

21 Under U.S.S.G. § 3E1.1(b), if the Court determines that the Defendant's total
22 offense level, before operation of § 3E1.1(a), is 16 or higher, and if the United States

1 recommends a two-level downward adjustment pursuant to the preceding para-
2 graph, the United States will move for an additional one-level downward adjustment
3 for acceptance of responsibility before sentencing because the defendant communi-
4 cated his decision to plead guilty in a timely manner that enabled the United States
5 to avoid preparing for trial and to efficiently allocate its resources.

6 The parties agree that if an adjusted offense level of 47 applies, and if a
7 3-level reduction for acceptance of responsibility is applied, the applicable offense
8 level may be 44, which provides for a minimum advisory sentencing guideline range
9 of life, which may be adjusted depending on the defendant's criminal history
10 category established by the Court. The parties agree that the statutory maximum
11 for a conviction of RICO Conspiracy, in violation of 18 U.S.C. § 1962(d), is twenty
12 (20) years imprisonment.

13 C. Criminal History Category. The defendant acknowledges that the
14 Court may base his sentence in part on the defendant's criminal record or criminal
15 history. The Court will determine the defendant's Criminal History Category under
16 the Sentencing Guidelines, and the Criminal History Category could result in an
17 increase in the advisory guideline range.

18 D. Relevant Conduct. The Court may consider any counts dismissed
19 under this Plea Agreement and all other relevant conduct, whether charged or
20 uncharged, in determining the applicable Sentencing Guidelines range and whether
21 to depart from that range.

1 E. Additional Sentencing Information. The stipulated Sentencing
2 Guidelines calculations are based on information now known to the parties. The
3 parties may provide additional information to the United States Probation Office
4 and the Court regarding the nature, scope, and extent of the defendant's criminal
5 conduct and any aggravating or mitigating facts or circumstances. Good faith efforts
6 to provide truthful information or to correct factual misstatements shall not be
7 grounds for the defendant to withdraw his guilty plea.

8 The defendant acknowledges that the United States Probation Office may
9 calculate the Sentencing Guidelines differently and may rely on additional
10 information it obtains through its investigation. The defendant also acknowledges
11 that the Court may rely on this and other additional information as it calculates the
12 Sentencing Guidelines range and makes other sentencing determinations, and the
13 Court's reliance on such information shall not be grounds for the defendant to with-
14 draw his guilty plea.

15 **VII. APPLICATION OF SENTENCING STATUTES**

16 A. Maximum Penalty.

17 Count One. The maximum penalty for Conspiracy to Engage in a Rack-
18 eteer Influenced Corrupt Organization, in violation of 18 U.S.C. §§ 1962(d) and 1963,
19 is not more than twenty (20) years in prison, a fine of not more than two hundred
20 and fifty thousand dollars (\$250,000), or both a fine and imprisonment.

21 B. Factors Under 18 U.S.C. § 3553. The Court must consider the factors
22 set forth in 18 U.S.C. § 3553(a) in determining the defendant's sentence. However,

1 the statutory maximum sentence and any statutory minimum sentence limit the
2 Court's discretion in determining the defendant's sentence.

3 C. Parole Abolished. The defendant acknowledges that his prison sen-
4 tence cannot be shortened by early release on parole because parole has been abol-
5 ished.

6 D. Supervised Release. In addition to imprisonment and a fine, the de-
7 fendant will be subject to a term of supervised release not to exceed three (3) years
8 as to Count One. Supervised release is a period of time after release from prison
9 during which the defendant will be subject to various restrictions and requirements.
10 If the defendant violates any condition of supervised release, the Court may order
11 the defendant's return to prison for all or part of the term of supervised release,
12 which could result in the defendant serving a total term of imprisonment greater
13 than the statutory maximum prison sentence.

14 E. Special Assessment. The defendant will pay a one-hundred dollar
15 (\$100.00) special assessment per count of conviction at the time of sentencing.

16 F. Additional Costs. The defendant is required to pay for the costs of
17 imprisonment, probation, and supervised release, including the costs for electronic
18 monitoring of home detention, unless the defendant establishes that the defendant
19 does not have the ability to pay such costs, in which case the Court may impose an
20 alternative sanction such as community service.

1 **VIII. POSITIONS REGARDING SENTENCE**

2 This Plea Agreement is governed, in part, by Federal Rule of Criminal Proce-
3 dure 11(c)(1)(C). That is, the parties have agreed that the sentence imposed by the
4 Court shall include a term of imprisonment of 10 years (120 months) in the custody of
5 the Bureau of Prisons. Because this plea is offered pursuant to Federal Rule of Crim-
6 inal Procedure 11(c)(1)(C), if the Court accepts the plea agreement, the Court may
7 not impose a different sentence than that agreed by the parties in this plea agree-
8 ment.

9 The Court may accept this agreement, reject it, or defer a decision until the
10 Court has reviewed the presentence report. If the Court accepts and agrees to impose
11 a sentence of 10 years' (120 months') imprisonment, defendant may not withdraw this
12 plea as a matter of right under Federal Rule of Criminal Procedure 11(d). If, however,
13 the Court rejects the Plea Agreement, or otherwise refuses to accept defendant's plea of
14 guilty, either party shall have the right to withdraw from this Plea Agreement. The
15 Court will advise the defendant that if the Court rejects the guilty plea, and his plea
16 of guilty is not withdrawn, the disposition of the case may be less favorable than that
17 contemplated by this plea agreement.

18 **IX. RESTITUTION**

19 The defendant and the government agree, and request that the Court find on
20 the record, that the number of victims in this case is so large as to make restitution
21 impracticable. *See* 18 U.S.C. § 3663A(c)(3)(A). Moreover, the defendant and the
22 government agree, and request that the Court find on the record, that determining

1 complex issues of fact related to the cause or the amount of those victims' losses
2 would complicate or prolong the sentencing process to a degree that the need to
3 provide restitution to any victim is outweighed by the burden of the sentencing
4 process. *See* 18 U.S.C. § 3663A(c)(3)(B).

5 Therefore, the defendant and government agree that the Court should order
6 in lieu of restitution a fine in the amount of \$568,000,000 pursuant to 18 U.S.C.
7 § 3571(d). Any payments made by the defendant toward the amount of this fine shall
8 be deposited into the Crime Victims Fund pursuant to 34 U.S.C. § 20101.

9 The defendant understands, acknowledges and agrees that he cannot
10 discharge this fine obligation through bankruptcy proceedings. The defendant
11 further understands, acknowledges and agrees that fine payments and obligations
12 cannot offset or reduce the amount of any forfeiture judgment imposed in this case.

13 **X. FORFEITURE**

14 The defendant knowingly and voluntarily:

15 A. Agrees to the District Court imposing an in personam criminal forfei-
16 ture money judgment of \$1,041,517.84;

17 B. Agrees the in personam criminal forfeiture money judgment amount
18 complies with *Honeycutt v. United States*, ___U.S.___, 137 S. Ct. 1626 (2017);

19 C. Waives his right to any abandonment proceedings, any civil adminis-
20 trative forfeiture proceedings, any civil judicial forfeiture proceedings, or any crimi-
21 nal forfeiture proceedings of the in personam criminal forfeiture money judgment
22 (proceedings);

1 D. Waives service of process of any and all documents filed in this action
2 or any proceedings concerning the in personam criminal forfeiture money judgment
3 arising from the facts and circumstances of this case;

4 E. Agrees not to file any claim, answer, petition, or other documents in
5 any proceedings concerning the in personam criminal forfeiture money judgment;

6 F. Waives the statute of limitations, the CAFRA requirements, Fed. R.
7 Crim. P. 7, 11, and 32.2, all constitutional requirements, including, but not limited
8 to, the constitutional due process requirements of any proceedings concerning the in
9 personam criminal forfeiture money judgment;

10 G. Waives all constitutional, legal, and equitable defenses to the in perso-
11 nam criminal forfeiture money judgment in any proceedings, including, but not lim-
12 ited to, (1) constitutional or statutory double jeopardy defenses and (2) defenses un-
13 der the Excessive Fines or Cruel and Unusual Punishments Clauses of the Eighth
14 Amendment to the United States Constitution;

15 H. Agrees to the entry of an Order of Forfeiture for the in personam crim-
16 inal forfeiture money judgment to the United States;

17 I. Waives the right to appeal any Order of Forfeiture;

18 J. Agrees the in personam criminal forfeiture money judgment is imme-
19 diately due and payable and is subject to immediate collection by the United States;

20 K. Agrees and understands the in personam criminal forfeiture money
21 judgment shall not be treated as satisfaction of any assessment, fine, restitution,
22

1 cost of imprisonment, or any other penalty the Court may impose upon the defendant
2 in addition to the forfeiture;

3 L. Acknowledges that the amount of the forfeiture may differ from, and
4 may be significantly greater than or less than, the amount of restitution; and

5 M. Agrees to take all steps as requested by the United States to pass clear
6 title of any forfeitable assets that may be used to satisfy the in personam criminal
7 forfeiture money judgment to the United States and to testify truthfully in any judi-
8 cial forfeiture proceedings. The defendant understands and agrees that the in perso-
9 nam criminal forfeiture money judgment amount represents proceeds and/or facili-
10 tating property of illegal conduct and is forfeitable. The defendant acknowledges that
11 failing to cooperate in full in the disclosure of assets constitutes a breach of this Plea
12 Agreement.

13 **XI. FINANCIAL INFORMATION AND DISPOSITION OF ASSETS**

14 Before or after sentencing, upon request by the Court, the United States, or
15 the Probation Office, the defendant will provide accurate and complete financial
16 information, submit sworn statements, and/or give depositions under oath concern-
17 ing his assets and his ability to pay. The defendant will surrender assets he obtained
18 directly or indirectly as a result of his crimes, and will release funds and property
19 under his control in order to pay any fine, forfeiture, or restitution ordered by the
20 Court.

1 **XII. THE DEFENDANT'S ACKNOWLEDGMENTS AND WAIVERS**

2 A. Plea Agreement and Decision to Plead Guilty. The defendant
3 acknowledges that:

4 1. He has read this Plea Agreement and understands its terms and
5 conditions;

6 2. He has had adequate time to discuss this case, the evidence, and
7 this Plea Agreement with his attorney;

8 3. He has discussed the terms of this Plea Agreement with his
9 attorney;

10 4. The representations contained in this Plea Agreement are true
11 and correct, including the facts set forth in Section IV; and

12 5. He was not under the influence of any alcohol, drug, or medicine
13 that would impair his ability to understand the Agreement when he considered sign-
14 ing this Plea Agreement and when he signed it.

15 The defendant understands that he alone decides whether to plead guilty or
16 go to trial, and acknowledges that he has decided to enter his guilty plea knowing of
17 the charges brought against him, his possible defenses, and the benefits and possible
18 detriments of proceeding to trial. The defendant also acknowledges that he decided
19 to plead guilty voluntarily and that no one coerced or threatened him to enter into
20 this Plea Agreement.

21 B. Waiver of Appeal and Post-Conviction Proceedings. The defendant
22 knowingly and expressly waives: (a) the right to appeal any sentence imposed within

1 or below the applicable Sentencing Guideline range as determined by the Court;
2 (b) the right to appeal the manner in which the Court determined that sentence on
3 the grounds set forth in 18 U.S.C. § 3742; and (c) the right to appeal any other aspect
4 of the conviction or sentence and any order of restitution or forfeiture.

5 The defendant also knowingly and expressly waives all collateral challenges,
6 including any claims under 28 U.S.C. § 2255, to his conviction, sentence, and the
7 procedure by which the Court adjudicated guilt and imposed sentence, except non-
8 waivable claims of ineffective assistance of counsel.

9 The defendant reserves only the right to appeal any portion of the sentence
10 that is an upward departure from the sentencing guideline range determined by the
11 Court.

12 The defendant acknowledges that the United States is not obligated or re-
13 quired to preserve any evidence obtained in the investigation of this case.

14 C. Removal/Deportation Consequences. The defendant understands and
15 acknowledges that if he is not a United States citizen, then it is highly probable that
16 he will be permanently removed (deported) from the United States as a consequence
17 of pleading guilty under the terms of this Plea Agreement. The defendant has also
18 been advised if his conviction is for an offense described in 8 U.S.C. § 1101(a)(43), he
19 will be deported and removed from the United States and will not be allowed to
20 return to the United States at any time in the future. The defendant desires to plead
21 guilty regardless of any immigration consequences that may result from his guilty
22 plea, even if the consequence is automatic removal from the United States with no

1 possibility of returning. The defendant acknowledges that he has specifically dis-
2 cussed these removal/deportation consequences with his attorney.

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1 **XIII. ADDITIONAL ACKNOWLEDGMENTS**

2 This Plea Agreement resulted from an arms-length negotiation in which both
3 parties bargained for and received valuable benefits in exchange for valuable con-
4 cessions. It constitutes the entire agreement negotiated and agreed to by the parties.
5 No promises, agreements or conditions other than those set forth in this agreement
6 have been made or implied by the defendant, the defendant's attorney, or the United
7 States, and no additional promises, agreements or conditions shall have any force or
8 effect unless set forth in writing and signed by all parties or confirmed on the record
9 before the Court.

10
11 DAVID L. JAFFE
12 Chief, Organized Crime and Gang Section
United States Department of Justice

13 DATE: 6/17/2020

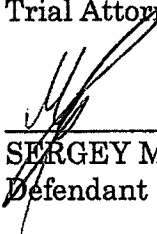
/s/ Chad McHenry

KELLY PEARSON

Deputy Chief, Organized Crime and Gang Section

15 CHAD W. MCHENRY
16 ALEXANDER GOTTFRIED
Trial Attorneys

17 DATE: 3/7/20


18 SERGEY MEDVEDEV
19 Defendant

20 DATE: 3/9/20


21 LANCE MANINGO, ESQ.
22 Counsel for Defendant MEDVEDEV